# State Transportation Commission

Director Kirk T. Steudle, P.E. April 27, 2006

#### Overview

Transportation Agreement

- 2006-2010 Economic Benefits
  - Final Report

Construction Quality Partnering



## Transportation Agreement



## Transportation Agreement

- Governor Granholm has a targeted road map and it's moving Michigan in the right direction
- The Governor's plan drives job creation and paves the way for growth all across Michigan
- Announced April 21, 2006 by Governor Granholm, Senate Majority Leader Sikkema



## Transportation Agreement

- Specific project earmark money
  - Previously vetoed projects + others
- Passage of Transit bill
- Passage of Local Jobs Today
- Passage of MDOT supplemental budget
  - Restoring funding to AMTRAK, IT projects, Multi Modal.
- Legislation expected to clear the Legislature
- Travel Michigan Funding

# Transportation Agreement Local Jobs Today

- Local Jobs Today will grow Michigan's economy and maximizes available federal dollars to get shovels in the ground and dirt flying
- Grants \$80 million in state funds to local communities for local match on federal projects
- \$400 million in projects underway for 2006-2007 construction season



7,100 jobs

# Transportation Agreement: Improve Public Transit

required local match to federal transit funds

- 2005 Kooiman bill vetoed by Governor because it gave tax authority to only Grand Rapids
- New bill, sponsored by Rep. Kooiman, includes provision to assist other transit agencies with mass transit efforts
- Governor will sign this bill now that other areas in the state can benefit from this provision

# Transportation Agreement: Improve Public Transit

#### High priority transit projects:

- To help transit agencies expand and improve transportation facilities
- Eight projects statewide for Grand, Metro, Bay and Superior regions
- \$27,367,000 in federal earmarks
- State will provide 20 percent match
- Loan program for agencies



## 2006-2010 Economic Benefits Final Report

### 2006-2010 Economic Benefits Final Report- Released March 2006

Annually, MDOT commissions a study to assess the economic benefits of the Five-Year Road & Bridge Program

- University of Michigan's Institute of Labor and Industrial Relations
- Economic Development Research Group







### Study Findings:

Implementing the 2006-2010 Road and Bridge Program creates:

- Travel time savings for Michigan households: \$14.6 million in 2006 and accumulates to \$71.0 million by 2010
- Travel time savings for Michigan businesses: \$10.3 million in 2006 and accumulates to \$51.0 million by 2010
- Generates \$6.8 billion in Gross State Product

#### Job Creation:

 University of Michigan estimates MDOT's Highway Program will create 30,824 jobs in 2006

 Of these jobs, approximately 60% are nonconstruction with a large portion consisting of technical jobs in the professional services and business sectors









# Comparing Study Results from 2005 to 2006:

- Approximately 4,275 more jobs in 2006
- Approximately \$300 million more of Gross State Product and approximately \$200 million more of real personal income in 2006
- The Jobs Today and Preserve First Initiatives are having a positive impact on Michigan's economy



# Michigan's Construction Quality Partnership (CQP)



#### Construction Quality Partnership

The "status quo" is not acceptable.

If better is possible, good is not enough.

### **CQP History**

 Grew out of Warranty discussions

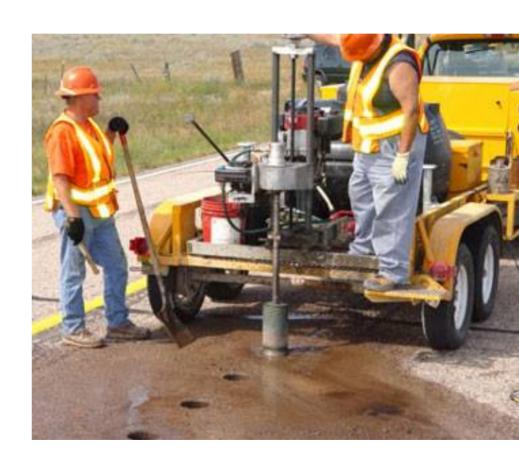
 Strategic Forum on Quality and Warranties



- Builds on existing. . . .
  - Materials Testing Certification Programs
  - Supplier Certification Programs
  - Bridge Painting Certification Program

#### Construction Quality Partnership

- Contractor Quality
- Goal is Total Quality Improvement
- Personnel certification
  - Contractor
  - MDOT
  - Consultant
- Corporate certification
  - Contractor
  - Consultant
- Improved agency processes



#### Construction Quality Partnership

#### Benefits:

- Enhance product quality
- Enhance value through training and skills development
- Address need for current and future skilled personnel
- Reduce risk for everyone
- Increase public trust

### Paradigm Shift

#### Move focus

#### From:

Specification enforcement and end-product inspection

#### <u>To:</u>

Continual quality process control at all stages

Design

**Bidding** 

Construction

#### Construction Quality Partnership

The "Right People"

Building

The "Right Fix"

#### Where We Are Today. . .

Executive Steering Committee Meeting monthly . . . Since late 2004

#### Co-Chairs

Larry Tibbits, MDOT John Friend, MDOT Glenn Bukoski, MITA Dan DeGraaf, MCPA

#### Where We Are Today. . .

Training Subcommittees
Concrete Paving
HMA Paving
Capital Preventive
Maintenance

